



3180 W. Clearwater Avenue, Suite O Kennewick, WA 99336 (509) 783-8533 www.afshealth.com

ADA INFORMATION

What is an ADA tax credit?

It is a tax credit for expenditures to provide access to disabled individuals. Under Internal Revenue Code, Section 44, an Income Tax credit (not just a deduction) of up to \$5,000 is available on the cost of equipment purchased to comply with the ADA. Wheelchair accessible equipment, including the SCIFIT PR01000 and PROII would qualify in most areas.

- Refer to Code Section 44 of the Federal Tax Guide for more detailed information.
- Use Tax Form 8826 to Claim your ADA Tax Credit

How much credit is available?

The amount of the credit is 50% of the amount of eligible access expenditures for a year that exceed \$250 but do not exceed \$10,250. No other deductions or credits are permitted for any amount for which a disabled access tax credit is allowed.

- The maximum tax credit allowable \$5,125.

Who is eligible?

An eligible small business is defined as any person who elects to claim the disabled access tax credit and either:

1. *Had gross receipts for the preceding tax year that did not exceed one million dollars.*
- OR
2. *Had no more than 30 full time employees during the preceding tax year.*

Facilities, should consult their professional tax advisor to verify eligibility.

What are the eligible expenditures?

1) Costs relating to the removal of architectural, communication, physical or transportation barriers that prevent a business from being accessible to, or usable by, disabled individuals.

NOTE: Costs incurred during new construction do not qualify. Also, the taxpayer faces the burden of proving to the IRS that barrier removal complies with the standards of the Architectural and Transportation Barriers Compliance Board.

2) To provide qualified interpreters or other effective methods of making aurally delivered materials available to hearing impaired individuals.

3) To provide qualified readers, taped texts, and other effective methods of making visually delivered materials available to visually impaired individuals.



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4) To acquire or modify equipment or devices for disabled individuals.

- *This is the most applicable to the fitness industry*

5) To provide other similar services, modifications, materials, or equipment.

Does ADVANCED FITNESS SOLUTIONS have eligible equipment?

YES! The SCIFIT PRO 1000 and PRO II are perfect for clubs who wish to take advantage of this tax credit:

- They comply with the Americans with Disabilities Act
- They provide easy wheelchair access.
- They are extremely usable and popular with non-disabled members as well as those with disabilities.
- They are not "hospital" looking. They look like normal pieces of fitness equipment and could be integrated easily into any fitness facility.

How do I get more information?

The best way to get more information on the ADA tax credit is to consult your professional tax advisor or tax accountant. Tax laws change from year to year and a tax professional would have the most current information.

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Tax Credit (IRS Section 44)

Under the American's with Disabilities Act, the purchaser of a SCIFIT Pro 1000 Upper Body Ergometer and SCIFIT Pro II All Body Ergometer qualifies for a tax credit. Accessories for these products which make the unit more suitable for wheelchair use also qualify for the tax credit.

To qualify for this tax credit you must have less than 30 full time employees or have gross receipts of less than 1 million dollars for the proceeding year.

If you fall under these guidelines, you may claim up to \$10,250 per year in the cost of eligible equipment and receive a tax credit for 50% of the amount; not to exceed \$5000. The purchases must exceed \$250.

Example:

2 SCIFIT Pro 1000's	(\$3195)	\$6,390
2 Adjustable Crank Arm options	(200)	400
Installation Costs		<u>375</u>
		\$7,165

Your tax credit is **\$3,582.50**

Example:

3 SCIFIT Pro II's	(\$3795)	\$11,385
3 wheelchair platforms options	(100)	300
Installation Costs		<u>500</u>
		\$12,235

Note: The purchase is over \$10,250

Your tax credit is the maximum available amount of **\$5000**
The actual cost of each unit is \$2400. That is equivalent to a 40% discount on the sale!

ADVANCED FITNESS SOLUTIONS products which qualify for the ADA Tax Credit:

SCIFIT

- Model AB6400 - SCIFIT Pro II All Body Ergometer
- Model UB6201 - SCIFIT Pro 1000 Upper Body Ergometer
- Item 1180 - Wheelchair Platforms with Tie Downs
- Item 66400 - High Support Boots with Bars
- Item 66460 - Low Support Boots with Bars
- Item 1500 - Assist Gloves (sizes S, M, & L)

Remember: the total purchase must exceed \$250. Due to their low cost, single items may not qualify.

AFS does NOT intent to provide tax advice. It is our intent to suggest speaking with your accountant(s) regarding this possible option.



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FITNESS EQUIPMENT FINANCING PROGRAM

We offer conventional financing and lease funding programs designed to help make your company grow!

Not all financing programs offer this flexibility

- **12 MONTH TO 60 MONTH TERMS AVAILABLE**
- **CREDITS ACCEPTED FROM A + TO MARGINAL**
- **BUSINESS LEASING UP TO \$75,000.00 AVAILABLE**
- **Is not reported to the credit bureaus**
- **Same day approvals... time permitting**

Consumer Lease Sales Benefits

- You can turn in your unit at the end of the rental term for an updated model
- You can choose to keep your unit(s) at the end of the rental term
- You, if undecided at the end of the initial rental term, can choose to extend your rental term for an additional year
- You can simply turn in the unit(s) and walk away at the end of the rental term

Options Available

- Option #1 Upgrade at end of your rental for a new updated model
- Option #2 Choose to keep your unit at end of the rental term
- Option #3 Choose to return your unit at the end of rental
- Option #4 Extend rental for one additional year

Frequently Asked Questions

How is payment structured?

- A prepared invoice by your sales rep. is necessary to be submitted for payment.
- Invoice will be labeled "Bill to / Ship To" and we will provide billing instructions.
- You, the customer, will be called at the time of delivery to verify if the unit is OK and working.

Will there be a relationship between you, the customer, and your financier?

- JR SAVER, INC., or our assignees will not have a relationship with the client. We will only handle the collection of rental payments until the end of the contract.

Who owns the products?

- Ownership during the lease rental term will belong to JR SAVER, INC. or its assignees.

Where do you locate the consumer credit application?

- At Advanced Fitness Solutions.



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How are clients who are on layaway treated?

- All layaway clients can be transferred into this program. Any monies prepaid can be given back to the consumer or it can be used to reduce the monthly rental payment.